

## **Establishing Interests and Priorities**

**From August 20, 2014 Meeting**

### **Everybody Pays + Fee for Service (96 votes)**

- Priority: Generate some amount of revenue from sources currently benefiting from services but not contributing funds.
- Ensure that all permit holders are carrying their load (\$).
- Evaluate funding option from mobile/auto sources.
- Look at fee changes for all users of DNR air quality services (landfill fee increases, notification fees, etc.).
- The people who are utilizing services should pay for them via fees (Title V renewals, construction permits, modeling, stack testing).
- Add appropriate fees for all kinds of permitting activities, not just increasing the annual Title V fees.
- Fairly distribute fees so that the users of the services are being charged for services granted.
- Implement minor source registration fee.
- Determine structure for allocating IDNR costs to the following sources of funding: Title V emissions fee, state general fund, registration and/or permitting action fees, source/group/stakeholder fees.
- Goal Establish a fee plan to equitably generate enough revenue for AQ Program, including minor and major source construction and operating permits and monitoring. Move responsibility of setting and adjusting fees from IAC to EPC. Easier to address in future.
- Would like to explore a user fee rather than an emissions fee. User fee should reflect staff time consumed by entity.
- Sustainable fee structure that all users pay as user utilizes service.
- Need to start looking at charging fees to review new construction permits or changes to permits. At first not necessarily trying to cover all costs initially, but phasing in the fees or increasing them up over time.
- Assign funding by user categories (Title V, construction permit, citizen impact).
- Conceptually, the program is set up to fail. Meeting the goals of reducing emissions and improving air quality is detrimental to funding & sustainability of the program. Need to solve.
- Application fees.
- The sources of AQ funding should more closely parallel the areas where funding is used.
- Fee rate alternatives: Construction permits & Title V.

### **Long Term Funding (58 votes)**

- Top priority: Long-term funding solution for DNR that is fair to stakeholders. Permanent solution.
- Priority: Self-funded programs (asbestos, Title V, etc.).
- Program sustainability fee matrix needed to maintain core programs.
- Remove fee structure segregation (i.e.: Title V vs. other). Muddy now and all needs to be done.
- Reasonable and sustainable Title V fees.
- DNR must reliably have the money it needs. Obligations to EPA and Iowans.
- Develop a structure so that the process is efficient and self-sustainable.
- Need to ensure that the department has adequate funding in future to continue providing the services they do & sustainable.
- Program funding mechanism that provides sustainable DNR programs in a fluid environment.

### **Non Fee (50 votes)**

- Legislative funding vs. fee based funding. Relative to Federal mandate requirements (additional funding needs).
- Propose the state provide funding as needed to cover shortfall.
- State general funds. Application fees/action fees (permit).
- Leave structure as is for non-Title V as there is only a \$9,100 shortfall. State general funds

<b>Process Improvement (39 votes)</b>
<ul style="list-style-type: none"> <li>• Develop staff and efficiencies to remove permit backlogs, improve turnaround times, and compliance support.</li> <li>• Existing resource utilization &amp; optimization. “5S” your work.</li> <li>• State fund computer upgrade. Goal: Reduce “paper” documents, electronic filings, etc. Free up staff for other tasks.</li> <li>• Service: Turnaround time on permits will be fast enough to assist industries. Backlog should be reduced.</li> <li>• Service: The engineers who work on complex permits &amp; models should be experienced enough &amp; have enough time to do a good job.</li> <li>• Essential functions requirements for DNR.</li> </ul>
<b>Adequate Funds (15 votes)</b>
<ul style="list-style-type: none"> <li>• Adequate funds to enable DNR to run a stable set of programs so funding is predictable.</li> <li>• Funding of Air Quality. Replacing shortfalls in budget.</li> <li>• Funding mechanisms will sustain Air Bureau operations and reflect work volume and operational costs.</li> <li>• A fee structure that reflects the Bureau’s actual and annual inputs for the permit in issue.</li> </ul>
<b>Reward for Emissions Reductions (10 votes)</b>
<ul style="list-style-type: none"> <li>• Priority: Non-punitive fees (i.e.: reduction of fees for reduction of emissions).</li> <li>• Create a fee structure that incentivizes emissions reductions and improvements in air quality.</li> </ul>
<b>Reduced Scope of Work (6 votes)</b>
<ul style="list-style-type: none"> <li>• Agency will focus on tasks that are mission (legally required?) critical. Tasks that can be done by other agencies (state/federal) may be delegated (or teaming?).</li> </ul>
<b>Paying for Expedited Turnarounds (4 votes)</b>
<ul style="list-style-type: none"> <li>• Fees for expedited turnaround times.</li> </ul>
<b>No Service for No Fees (2 votes)</b>
<ul style="list-style-type: none"> <li>• Ensure that the money received from permits is supporting the air quality program and we do not use to offset costs for other programs.</li> </ul>
<b>Environmental Impact Based Funding (0 votes)</b>
<ul style="list-style-type: none"> <li>• Construction permit fees should be proportional to the environmental impact of the project.</li> </ul>
<b>Program Preservation (0 votes)</b>
<ul style="list-style-type: none"> <li>• Do what’s necessary to avoid de-delegation of the program areas.</li> <li>• Changes to the funding structure should not result in increased competition for \$ between other environmental protection areas.</li> </ul>
<b>Increase Emissions Fee (0 votes)</b>
<ul style="list-style-type: none"> <li>• Explore ideas of raising emissions fee.</li> </ul>
<b>Pay for New Activities (0 votes)</b>
<ul style="list-style-type: none"> <li>• Build the expected cost headwinds into the pay structure now vs. later.</li> </ul>
<b>Develop Menu of Funding Options (0 votes)</b>
<ul style="list-style-type: none"> <li>• Would like the group to develop multiple funding scenarios so that groups could have their entities model the impact for follow-up discussions.</li> </ul>
<b>Simple Fee Structure (0 votes)</b>
<ul style="list-style-type: none"> <li>• Any fee structure should be easily understood and transparent to all stakeholders.</li> </ul>